

Medicare premiums to increase for area recipients in 2017

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Open enrollment began Oct. 16 and Medicare experts are encouraging those eligible to review their health and prescription drug plan options in light of some big changes coming in 2017.

Most Medicare plans are expected to adjust cost-sharing and coverage benefits for the approximately 53 million Americans currently enrolled, including about 2.2 million people in Ohio.

And next year, premiums and out-of-pocket costs for seniors aged 65 and older and people with certain disabilities who are eligible for the government health insurance program may rise faster than expected for some.

Premiums for Medicare Part B medical coverage, for example, may jump more than 20 percent for beneficiaries who have not yet claimed social security and some high-income beneficiaries unless Congress intervenes, according to estimates from Centers for Medicare & Medicaid Services (CMS), which administers the program. And premiums for Medicare Part D – prescription drug coverage sold separately by private insurers – are also expected to spike sharply in some plans.

With a wrinkled brow, Carl Schrand, a longtime Kettering resident and World War II veteran, said he may re-shop his coverage during the annual enrollment period to make sure he's getting the best deal.

"I'm happy with my Medicare plan, but I hadn't heard about these price increases," said the 96-year-old Schrand, who said he uses Medicare to supplement his VA health benefits. "There's always something new. You have to stay on top of things."

Health insurers providing Medicare coverage were required to notify members of any changes they're planning next year before the end of September. But research has shown many people don't read the "Notices of Change" carefully, often missing out on savings on their monthly premiums and out-of-pocket costs.

Miami Twp. resident, Rose Smith, 77, said she'll be helping her sister, Betty Fischer, navigate the Medicare maze when she turns 65 on Nov. 3.

“When you first become eligible for Medicare, and you get all that information in the mail, most people don’t read it thoroughly,” Smith said. “I know I didn’t. There are so many plan options to consider, and understanding the coverage can be confusing. But you need to learn these things so you don’t end up paying more than you have to and get the plan that’s best for you.”

Smith said she’s satisfied with her Medicare plan, so she won’t have to do anything during open enrollment because she’ll be automatically re-enrolled in her current coverage, which she described as a “Godsend” for holding down prescription drug costs for her and her husband.

“We take quite a few medications. We both take four medications in the morning and three at night for high blood pressure, hypertension, and other things. Our pharmacy bills used to be outrageous. But it’s really gotten a lot less expensive that it used to be,” she said.

Smith is among those seniors who are continuing to see savings on out-of-pocket drugs costs as the Affordable Care Act (ACA) closes the coverage gap in Medicare Part D drug plans known as the “doughnut hole,” in which seniors pay 100 percent of their drug costs before meeting a certain deductible threshold.

But the health care law is gradually lowering the share percentage seniors pay, and will eventually cut drug costs in the doughnut hole by 75 percent by 2020. Since the ACA’s enactment, about 10.7 million seniors and people with disabilities have received discounts of over \$20.8 billion on prescription drugs, an average of \$1,945 per beneficiary, according to CMS.

But each plan is different, so it’s important to shop around, according to Kevin Coleman, head of research and data at HealthPocket.com, a health insurance cost-comparison website.

“You have to look at premiums, deductibles and other out-of-pocket costs, as well as any plan restrictions on drugs,” he said, noting that some plans may not cover some high-cost specialty drugs for cancer patients and others.

Most Medicare members unhappy with their current coverage will have until the end of open enrollment on Dec. 7 to switch to a different plan, or sign up for alternative coverage to traditional Medicare, such as Medicare Advantage, which has become increasingly popular.

Medicare Advantage plans sold by private insurers are required to offer the same benefits as traditional Medicare Parts A and B, but also typically include added benefits, such as dental, vision, and hearing benefits that traditional Medicare doesn’t

cover. Drug plans are also typically included in Medicare Advantage comprehensive coverage, which also caps out-of-pocket costs.

At least two Dayton-based companies – Premier Health Plan, a subsidiary of the Premier Health hospital system, and CareSource – will offer Medicare Advantage in Ohio next year, bringing more plans with greater benefits to local Medicare consumers.